

**MASB-SEG Property/Casualty Pool, Inc.
and Subsidiary**
(a not-for-profit corporation)

**Financial Report
with Supplemental Information
June 30, 2008**

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Contents

Report Letter	1-2
Management's Discussion and Analysis	3-6
Basic Financial Statements	
Statement of Net Assets	7
Statement of Revenue, Expenses, and Changes in Net Assets	8
Statement of Cash Flows	9-10
Notes to Financial Statements	11-17
Required Supplemental Information	18
Schedule of Claims Information for Line of Coverage	19
Schedule of Claims Development for MASB-SEG Property/Casualty Pool, Inc.	20
Other Supplemental Information	21
Schedule of Operations by Policy Years for MASB-SEG Property/Casualty Pool, Inc.	22



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Independent Auditor's Report

To the Board of Trustees
MASB-SEG Property/Casualty
Pool, Inc. and Subsidiary

We have audited the accompanying basic financial statements of MASB-SEG Property/Casualty Pool, Inc. and Subsidiary as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the Pool's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of MASB-SEG Reinsurance Limited, a component unit, whose statements reflect total assets of \$7,008,158 and total revenue of \$797,160. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for MASB-SEG Reinsurance Limited, is based solely on the report of the other auditors. The prior year summarized comparative information has been derived from the Pool's 2007 financial statements and, in our report dated September 11, 2007, we expressed an unqualified opinion on the basic financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of MASB-SEG Property/Casualty Pool, Inc. and Subsidiary at June 30, 2008 and 2007 and the changes in financial position, including cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and required supplemental information are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

To the Board of Trustees
MASB-SEG Property/Casualty
Pool, Inc. and Subsidiary

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise MASB-SEG Property/Casualty Pool, Inc. and Subsidiary's basic financial statements. The accompanying other supplemental information, as identified in the table of contents, is not a required part of the basic financial statements. The other supplemental information is presented for the purpose of additional analysis. The other supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The financial statements include summarized prior year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Pool's financial statements for the year ended June 30, 2007, from which such summarized information was derived.

Plant & Moran, PLLC

September 3, 2008

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Management's Discussion and Analysis

Using this Annual Report

This annual report consists of the statement of net assets, the statement of revenue, expenses, and changes in net assets, and the statement of cash flows. Along with the footnotes, they provide detailed financial information concerning MASB-SEG Property/Casualty Pool, Inc. and Subsidiary (the "Pool"). This section, the management's discussion and analysis, is intended to provide an overview of the Pool's financial condition, result of operations, and other key information.

Financial Overview

In analyzing the Pool's financial position, it is important to recognize the mission of the Pool. From a financial perspective, the Pool's general objectives are to formulate, develop, and administer, on behalf of the members, a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss prevention program. As of June 30, 2008, 456 educational institutions within the state of Michigan participate in the Pool.

The key financial statistics for the Pool would be based on total anticipated claims to be paid in a specific policy year as compared to the contributions received from members, otherwise known in the industry as a "loss ratio."

	Policy Year Ended		
	2008	2007	2006
Total premiums	\$ 29,520,522	\$ 32,010,323	\$ 33,012,422
Total estimated claim payments	\$ 13,258,557	\$ 11,663,732	\$ 10,957,854
Loss ratio	44.9%	36.4%	33.2%

Total estimated claim payments for each policy year consist of claim payments and an estimate of unsettled claims estimated by a third-party administrator and an estimate of claims incurred but not reported by an independent actuary. The methods of making such estimates are continuously reviewed by management and, according to industry practice, any changes to these estimates will have an impact on reported results of future periods. Claim payments can change significantly from period to period because the ultimate amount paid for claims is dependent on the frequency of claims filed as well as other events such as jury decisions, court interpretations, and legislative changes.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Management's Discussion and Analysis (Continued)

Financial Overview (Continued)

To reduce the Pool's exposure to large specific claims, the Pool enters into excess insurance contracts to recover specific claim losses in excess of stated amounts in the excess insurance contract. Currently, the per claim limit totals \$500,000.

The Pool's total assets, liabilities, and net assets remained consistent from a year ago. Approximately 97 percent, 96 percent, and 96 percent in 2008, 2007, and 2006, respectively, of the assets consist of investments. Approximately 63 percent, 62 percent, and 62 percent in 2008, 2007, and 2006, respectively, of total liabilities consist of reserves for claims. Due to the nature of property/casualty claims and the related reporting and settlement processes of claims, it is anticipated, based on historical averages of the Pool, that approximately 35 percent of the estimated reserves for claims will be settled within one year. The analysis below presents a comparison of the Pool's current year financial position to the prior years:

	2008	2007	2006
Total assets	<u>\$ 72,228,696</u>	<u>\$ 73,936,930</u>	<u>\$ 65,513,941</u>
Current liabilities	\$ 14,733,071	\$ 14,153,512	\$ 14,888,872
Long-term liabilities	<u>9,372,079</u>	<u>9,893,297</u>	<u>9,819,177</u>
Total liabilities	24,105,150	24,046,809	24,708,049
Net assets - Unrestricted	<u>48,123,546</u>	<u>49,890,121</u>	<u>40,805,892</u>
Total liabilities and net assets	<u>\$ 72,228,696</u>	<u>\$ 73,936,930</u>	<u>\$ 65,513,941</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Management's Discussion and Analysis (Continued)

Financial Overview (Continued)

The following table shows the major components of income from operations for the current year compared to the prior years:

	2008	2007	2006
Revenue			
Premiums	\$ 30,105,522	\$ 32,170,323	\$ 33,087,422
Investment earnings	3,280,482	2,869,719	2,153,254
Realized and unrealized gains and losses on investments	<u>(2,155,934)</u>	<u>3,064,634</u>	<u>(776,872)</u>
Total revenue	31,230,070	38,104,676	34,463,804
Expenses			
Total provision for claims	(12,152,069)	(9,099,873)	(12,717,025)
Total operating expenses	<u>(14,822,274)</u>	<u>(14,602,693)</u>	<u>(15,476,834)</u>
Total expenses	<u>(26,974,343)</u>	<u>(23,702,566)</u>	<u>(28,193,859)</u>
Excess of Revenue Over Expenses	4,255,727	14,402,110	6,269,945
Premium and Investment Earnings Surplus Returned to Members	<u>(6,022,302)</u>	<u>(5,317,881)</u>	<u>(4,988,820)</u>
Total (Decrease) Increase in Net Assets	<u>\$ (1,766,575)</u>	<u>\$ 9,084,229</u>	<u>\$ 1,281,125</u>

The increase in operating expenses during 2008 is a result of an increase in the MCCA assessment from the State of Michigan netted with a decrease in reinsurance fees. Total provision for claims, as noted above, is dependent on many factors and will change from year to year based on these factors.

Economic Factors and Next Year's Rates

The expected rates charged by the Pool for premiums for the next fiscal year are not expected to increase. MCCA assessment is expected to remain consistent with 2008 rates. All other operating expenses are expected to remain consistent with amounts reported in 2008. The provision for claim payments is expected to be consistent with historical trends and we are unaware of any economic events or legislative events that would have a significant impact on the operations of the Pool.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Management's Discussion and Analysis (Continued)

Contacting the Pool's Management

This financial report is intended to provide our members and regulators with a general overview of the accountability for the money the Pool receives. If you have questions about this report or need additional information, we welcome you to contact Timothy J. Averill, CPA, Chief Operations Officer, MASB-SEG Property/Casualty Pool, Inc. and Subsidiary, at 517-482-0871.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Statement of Net Assets

	June 30			
	2008		2007	
	MASB-SEG Property/Casualty Pool, Inc.	MASB-SEG Reinsurance Limited	Totals	Totals
Assets				
Cash and cash equivalents (Note 2)	\$ 689,067	\$ 622,238	\$ 1,311,305	\$ 1,133,954
Investments (Note 2)	63,406,389	6,341,492	69,747,881	70,727,258
Premiums receivable	20,000	-	20,000	20,436
Accounts receivable - Reinsurance (Note 6)	48,432	-	48,432	652,259
Prepaid assets	656,084	44,428	700,512	955,262
Accrued interest receivable	400,566	-	400,566	447,761
Total assets	<u>\$ 65,220,538</u>	<u>\$ 7,008,158</u>	<u>\$ 72,228,696</u>	<u>\$ 73,936,930</u>
Liabilities and Net Assets				
Liabilities				
Current liabilities:				
Accounts payable	\$ 259,852	\$ 35,370	\$ 295,222	\$ 272,785
Deferred revenue	2,847,849	-	2,847,849	3,631,724
Current portion of reserves for claims (Note 4)	5,320,000	270,000	5,590,000	4,920,000
Premium and investment earnings surplus due to members (Note 5)	6,000,000	-	6,000,000	5,329,003
Total current liabilities	14,427,701	305,370	14,733,071	14,153,512
Long-term liabilities - Reserves for claims - Net of current portion (Note 4)	9,372,079	-	9,372,079	9,893,297
Total liabilities	23,799,780	305,370	24,105,150	24,046,809
Net Assets - Unrestricted (Note 5)	<u>41,420,758</u>	<u>6,702,788</u>	<u>48,123,546</u>	<u>49,890,121</u>
Total liabilities and net assets	<u>\$ 65,220,538</u>	<u>\$ 7,008,158</u>	<u>\$ 72,228,696</u>	<u>\$ 73,936,930</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Statement of Revenue, Expenses, and Changes in Net Assets

	Years Ended June 30			
	2008		2007	
	MASB-SEG Property/Casualty Pool, Inc.	MASB-SEG Reinsurance Limited	Totals	Totals
Revenue				
Premiums	\$ 29,520,522	\$ 585,000	\$ 30,105,522	\$ 32,170,323
Investment earnings	2,824,661	455,821	3,280,482	2,869,719
Realized and unrealized gains and losses on investments	(1,912,273)	(243,661)	(2,155,934)	3,064,634
Total revenue	30,432,910	797,160	31,230,070	38,104,676
Claims (Note 4)				
Paid (recovered)	12,014,720	(11,433)	12,003,287	9,635,753
Change in reserves for claims	(121,218)	270,000	148,782	(535,880)
Total claims	11,893,502	258,567	12,152,069	9,099,873
Excess of Revenue Over Claims	18,539,408	538,593	19,078,001	29,004,803
Expenses				
Reinsurance fees (Note 6)	10,996,158	-	10,996,158	11,144,153
Administrative fees (Note 3)	2,184,519	34,916	2,219,435	2,232,280
MCCA assessment	1,078,162	-	1,078,162	805,111
Professional fees	69,419	41,957	111,376	76,544
Other	385,657	31,486	417,143	344,605
Total expenses	14,713,915	108,359	14,822,274	14,602,693
Excess of Revenue Over Expenses and Claims	3,825,493	430,234	4,255,727	14,402,110
Premium and Investment Earnings Surplus Returned to Members (Note 5)	(6,022,302)	-	(6,022,302)	(5,317,881)
(Decrease) Increase in Net Assets	(2,196,809)	430,234	(1,766,575)	9,084,229
Net Assets - Beginning of year	43,617,567	6,272,554	49,890,121	40,805,892
Net Assets - End of year	<u>\$ 41,420,758</u>	<u>\$ 6,702,788</u>	<u>\$ 48,123,546</u>	<u>\$ 49,890,121</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Statement of Cash Flows

	Years Ended June 30			
	2008		2007	
	MASB-SEG Property/Casualty Pool, Inc.	MASB-SEG Reinsurance Limited	Total	Total
Cash Flows from Operating Activities				
Cash received from members	\$ 29,177,288	\$ 190,656	\$ 29,367,944	\$ 31,651,563
Cash received from excess insurance carriers	603,827	11,433	615,260	(461,109)
Cash paid for claims	(12,014,720)	-	(12,014,720)	(9,635,753)
Cash paid to suppliers and others	(14,605,775)	(194,062)	(14,799,837)	(14,999,491)
Net cash provided by operating activities	3,160,620	8,027	3,168,647	6,555,210
Cash Flows from Investing Activities				
Investment income received	2,871,856	455,366	3,327,222	2,857,768
Net change in short-term investments	(3,953,808)	(129,439)	(4,083,247)	2,539,679
Purchase of investments	(136,754,725)	(611,591)	(137,366,316)	(164,526,112)
Proceeds from sales and maturities of investment	140,482,350	-	140,482,350	157,362,194
Net cash provided by (used in) investing activities	2,645,673	(285,664)	2,360,009	(1,766,471)
Cash Flows from Noncapital Financing Activities -				
Premium and investment earnings surplus returned to members	(5,351,305)	-	(5,351,305)	(4,988,878)
Net Increase (Decrease) in Cash and Cash Equivalents	454,988	(277,637)	177,351	(200,139)
Cash and Cash Equivalents - Beginning of year	234,079	899,875	1,133,954	1,334,093
Cash and Cash Equivalents - End of year	<u>\$ 689,067</u>	<u>\$ 622,238</u>	<u>\$ 1,311,305</u>	<u>\$ 1,133,954</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Statement of Cash Flows (Continued)

A reconciliation of excess of revenue over expenses and claims to net cash provided by operating activities is as follows:

	2008			2007
	MASB-SEG Property/Casualty Pool, Inc.	MASB-SEG Reinsurance Limited	Total	Total
Excess of revenue over expenses and claims	\$ 3,825,493	\$ 430,234	\$ 4,255,727	\$ 14,402,110
Adjustments to reconcile excess of revenue over expenses and claims to net cash from operating activities:				
Realized and unrealized (gains) losses on investments	1,912,273	34,317	1,946,590	(3,084,678)
Investment earnings	(2,824,661)	(455,821)	(3,280,482)	(2,869,719)
(Increase) decrease in assets:				
Premiums receivable	436	-	436	17,418
Accounts receivable - Reinsurance	603,827	-	603,827	(461,109)
Prepaid assets	255,205	-	255,205	(28,569)
Increase (decrease) in liabilities:				
Accounts payable	108,140	(85,703)	22,437	(396,798)
Deferred revenue	(598,875)	(185,000)	(783,875)	(487,565)
Reserves for claims	(121,218)	270,000	148,782	(535,880)
Net cash provided by operating activities	<u>\$ 3,160,620</u>	<u>\$ 8,027</u>	<u>\$ 3,168,647</u>	<u>\$ 6,555,210</u>

Premium and investment earnings surplus to be returned to members totaling \$6,000,000 and \$5,500,000 were approved during the years ended June 30, 2008 and 2007, respectively, and are reflected as premium and investment earnings surplus due to members in the statement of revenues, expenses, and changes in net assets.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 1 - Nature of Business and Significant Accounting Policies

MASB-SEG Property/Casualty Pool, Inc. (the "Pool") was created on May 23, 1985 and organized under the laws of the State of Michigan as a governmental group property and casualty self-insurance pool. Operating activities of the Pool began July 1, 1986. A total of 456 educational institutions within the state of Michigan participate in the Pool. The Pool's general objectives are to formulate, develop, and administer, on behalf of the members, a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss prevention program. The revenue and expenses for each self-insurance year are accounted for separately to determine net assets and deficiencies in net assets. A member's contribution to the Pool in excess of its share of claim losses, expenses, and other costs may be refunded as determined by the board of trustees (see Note 5). With the assistance of an actuary, the Pool may assess members a supplemental assessment in the event of deficiencies.

During the year ended June 30, 2004, the Pool acquired MASB-SEG Reinsurance Limited (the "Company") in a business combination accounted for as a component unit. The Company was incorporated as an exempted company under the Companies Law of the Cayman Islands on May 26, 1981 and holds a Restricted Class B Insurer's License under Section 4(2) of the Cayman Islands Insurance Law. Its primary line of business is to provide a program of reinsurance to the Pool.

Cash and Cash Equivalents - The Pool considers all cash and cash equivalents held by financial institutions with maturities of three months or less or held on hand to be cash and cash equivalents. All other short-term investments and long-term investments are excluded from cash and cash equivalents.

Investments - Investments consist of U.S. Treasury securities, U.S. agencies and passthroughs, asset-backed securities, corporate collateralized mortgage obligations, corporate bonds, money market accounts, mutual funds, and common stocks. Investments are stated at fair value, based on quoted market prices.

Accounts Receivable - Accounts receivable are stated at invoice cost. Management has determined that balances are collectible and no allowance for doubtful accounts is required.

Deferred Revenue - Prepayments of premiums are recorded as deferred revenue until the premiums are earned. The revenue is recognized during the applicable policy period.

Reserves for Claims - Reserves for claims represent the estimated liability for unpaid insurance losses and related expenses from reported claims and claims incurred but not reported. Changes to estimates are currently reflected in earnings.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates exist relating to reserves for claims as described in Note 4.

Tax Status - Premium and investment income of the Pool is tax exempt under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes is reflected in the financial statements.

Prior Year Presentation - The basic financial statements include prior year summarized comparative information in total, but not at the level of detail required for a full presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Note 2 - Deposits and Investments

The Pool's investment policy authorizes the Pool to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan.

The Pool designated Comerica Bank for the deposit of its funds.

The Pool's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Pool's deposits may not be returned to it. The Pool does not have a specific deposit policy for custodial credit risk of bank deposits; however, the Pool believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Pool evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories. At June 30, 2008, the Pool's deposit balance of \$1,413,787 had bank deposits (checking and savings accounts) of \$1,313,787 that were uninsured and uncollateralized. At June 30, 2007, the Pool's deposit balance of \$932,389 had bank deposits (checking and savings accounts) of \$832,389 that were insured and uncollateralized.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 2 - Deposits and Investments (Continued)

Interest Rate Risk - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Pool's investment policy does not restrict investment maturities. The Pool's policy minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market and limiting the average maturity in accordance with the Pool's cash requirements.

At June 30, 2008, the average maturities of investments are as follows:

Investment Type	Fair Value	Weight Average Maturity (Years)
U.S. Treasury securities	\$ 9,165,580	7.92
U.S. agencies and pass-throughs	17,458,089	19.89
Asset-backed securities	99,334	21.50
Corporate CMO	2,426,310	30.71
Corporate bonds	17,021,208	9.92
Money markets	6,930,389	-
Mutual funds	1,199,687	-
Common stocks	15,447,284	-
Total fair value	<u>\$ 69,747,881</u>	
Portfolio weighted average maturity		<u>14.36</u>

At June 30, 2007, the average maturities of investments are as follows:

Investment Type	Fair Value	Weight Average Maturity (Years)
U.S. Treasury securities	\$ 7,296,179	6.74
U.S. agencies and pass-throughs	18,355,090	18.39
Asset-backed securities	347,348	10.15
Corporate CMO	1,911,512	31.90
Corporate bonds	16,289,965	9.92
Money markets	3,828,716	-
Mutual funds	5,634,779	-
Common stocks	17,063,669	-
Total fair value	<u>\$ 70,727,258</u>	
Portfolio weighted average maturity		<u>13.87</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 2 - Deposits and Investments (Continued)

Credit Risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligations. In accordance with the Pool's investment policy, the Pool may invest in U.S. government securities, corporate bonds, certain equity securities, collateralized mortgage obligations, asset-backed securities, and certain mutual funds.

At June 30, 2008, the credit quality ratings of debt securities by investment type (other than the U.S. government) are as follows:

Rating	Fair Value	Rating Organization
Asset-backed securities - Aaa	\$ 99,334	Moody's
Corporate CMO - Aaa	\$ 2,426,310	Moody's
Corporate bonds:		
Aaa	\$ 4,256,652	Moody's
Aa1	141,738	Moody's
Aa2	476,376	Moody's
Aa3	1,561,998	Moody's
A1	2,856,667	Moody's
A2	1,514,985	Moody's
A3	1,070,886	Moody's
Ba1	124,000	Moody's
Baa1	840,920	Moody's
Baa2	1,449,050	Moody's
Baa3	1,071,417	Moody's
AAA	742,440	S&P
AA	28,810	S&P
A+	99,985	S&P
A	202,659	S&P
A-	274,375	S&P
BBB+	123,975	S&P
BBB	184,276	S&P
Total	\$ 17,021,209	

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 2 - Deposits and Investments (Continued)

At June 30, 2007, the credit quality ratings of debt securities by investment type (other than the U.S. government) are as follows:

Rating	Fair Value	Rating Organization
Asset-backed securities - Aaa	<u>\$ 347,348</u>	Moody's
Corporate CMO:		
Aaa	\$ 1,098,780	Moody's
AAA	<u>812,732</u>	Fitch
Total	<u>\$ 1,911,512</u>	
Corporate bonds:		
Aaa	\$ 3,428,166	Moody's
Aa2	732,112	Moody's
Aa3	1,552,722	Moody's
A1	1,788,742	Moody's
A2	1,702,828	Moody's
A3	860,779	Moody's
Bal	785,836	Moody's
Baa1	486,843	Moody's
Baa2	1,283,986	Moody's
Baa3	1,416,931	Moody's
AAA	1,822,083	Fitch
A+	195,550	Fitch
BBB+	159,940	Fitch
BBB	29,473	Fitch
BBB	<u>43,974</u>	S&P
Total	<u>\$ 16,289,965</u>	

Concentration of Credit Risk - The Pool places a limit of no more than 5 percent of the total aggregate portfolio which shall be invested in any one security or the securities of any one issuer with the exception that more than 5 percent can be invested in U.S. government securities. The Pool had no securities that individually exceed 5 percent of the Pool's total investments at June 30, 2008 or 2007.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 3 - Administrative Fees

The Pool incurred \$2,219,435 and \$2,232,280 in administrative fees for the years ended June 30, 2008 and 2007, respectively. These administrative services were provided by SET, Inc., a company affiliated through common management. These services included insurance billing and collection, marketing, general accounting services, and office space.

Note 4 - Reserves for Claims

The reserves for claims incurred but not reported are estimated by an independent actuary based upon the Pool's historical experience of claims incurred prior to June 30, 2008. The estimates reflect the actuary's best judgment as to the potential for claims to increase beyond the amounts already paid and reserved on filed claims, including the effects of inflation and other societal and economic factors. It is at least reasonably possible that a material change in the estimate will occur within the near term and thus the actual claims paid may be substantially different than these estimates. Any future adjustments to these amounts will affect the reported results of future periods.

The following represents changes in reserves for claims for the years ended June 30, 2008 and 2007:

	2008	2007
Reserves for Claims - Beginning of year	\$ 14,813,297	\$ 15,349,177
Incurred Claims and Claim Adjustment Expenses		
Provision for claims incurred in current year	13,528,557	12,110,675
Change in provision for claims incurred in prior years	(1,376,488)	(3,010,802)
Total incurred claims and claims adjustment expenses	12,152,069	9,099,873
Payments		
Claims and claims expenses paid for claims incurred in current year	6,252,425	5,075,141
Claims and claims expenses paid for claims incurred in prior years	5,750,862	4,560,612
Total payments	12,003,287	9,635,753
Reserves for Claims - End of year	<u>\$ 14,962,079</u>	<u>\$ 14,813,297</u>

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Notes to Financial Statements June 30, 2008 and 2007

Note 4 - Reserves for Claims (Continued)

The provision for incurred prior year claims decreased due primarily to claims settling for amounts different than originally estimated.

The details of the reserve for claims are given below:

	<u>2008</u>	<u>2007</u>
Reported but unpaid	\$ 8,824,775	\$ 8,211,954
Incurred but not reported	<u>6,137,304</u>	<u>6,601,343</u>
Total	<u>\$ 14,962,079</u>	<u>\$ 14,813,297</u>

The following, based on historical trends of the Pool, summarizes the anticipated settlement of claims at June 30, 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Claims anticipated to be settled within one year	\$ 5,590,000	\$ 4,920,000
Claims anticipated to be settled in excess of one year	<u>9,372,079</u>	<u>9,893,297</u>
Total reserves for claims	<u>\$ 14,962,079</u>	<u>\$ 14,813,297</u>

Note 5 - Net Assets

Premium and investment earnings surplus funds from net assets may be returned to members of the Pool at the discretion of the board of trustees. The board of trustees approved the return of premium and investment earnings surplus of \$6,000,000 and \$5,500,000 during the years ended June 30, 2008 and 2007, respectively.

Note 6 - Excess Insurance Coverage

The Pool uses excess insurance agreements to reduce its exposure to large aggregate and specific losses. Excess insurance permits recovery of a portion of losses from excess insurance carriers, although it does not discharge the primary liability of the Pool as direct insurer of the risks reinsured. The Pool does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Premiums ceded to excess insurance carriers during the years ended June 30, 2008 and 2007 totaled \$10,996,158 and \$11,144,153, respectively, and the amounts deducted from reserves for claims as of June 30, 2008 and 2007 for excess insurance totaled \$4,180,794 and \$3,516,613, respectively.

Required Supplemental Information

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Required Supplemental Information Schedule of Claims Information for Line of Coverage

Claims Development Information

The table on page 20 illustrates how the Pool's earned revenue (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by excess insurers) and other expenses assumed by the Pool as of the end of each of the last 10 years. The rows of the table are defined as follows:

- (1) This line shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue coded to reinsurers and net earned contribution revenue and reported investment revenue.
- (2) This line shows each fiscal year's other operating costs of the Pool, including overhead and claims expense not allocable to individual claims.
- (3) This line shows the Pool's gross incurred claims and allocated claim adjustment expenses, claims assumed by reinsurers, and net incurred claims and allocated adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year).
- (4) This section of 10 rows shows the cumulative net amounts paid as of the end of successive years for each policy year.
- (5) This line shows the latest re-estimated amount of claims assumed by reinsurers as of the end of the current year for each accident year.
- (6) This section of 10 rows shows how each policy year's net incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, re-evaluation of existing information on known claims, as well as emergence of new claims not previously known.
- (7) This line compares the latest re-estimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of net claims cost is greater or less than originally thought. As data for individual policy years matures, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

The columns of the table show data for successive policy years. A part of the annual change in estimated claims will be an increase attributable to accretion in the present value computation. That amount is not shown separately.

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Schedule of Claims Development for MASB-SEG Property/Casualty Pool, Inc.

Required Supplemental Information

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
(1) Required premiums and investment income:										
Earned	\$ 15,133,338	\$ 16,466,059	\$ 18,502,544	\$ 21,476,458	\$ 27,797,961	\$ 31,138,231	\$ 32,594,421	\$ 33,257,174	\$ 33,000,827	\$ 29,737,789
Ceded	2,214,700	2,701,201	3,005,574	4,034,520	9,000,462	9,275,177	10,004,187	11,108,566	12,351,957	11,010,371
Net earned	12,918,638	13,764,858	15,496,970	17,441,938	18,797,499	21,863,054	22,590,234	22,148,608	20,648,870	18,727,418
Expenses	1,024,198	1,111,875	1,152,234	1,885,524	2,318,353	2,931,964	3,874,322	4,038,624	3,347,369	3,717,757
(3) Estimated claims and expenses, end of policy year:										
Incurred	13,585,910	11,337,938	12,682,041	14,855,326	14,437,530	17,803,677	18,390,909	14,018,550	15,065,675	15,528,557
Ceded	1,800,000	2,000,000	950,000	1,300,000	2,100,000	3,900,000	5,000,000	1,565,000	2,955,000	2,270,000
Net incurred	11,785,910	9,337,938	11,732,041	13,555,326	12,337,530	13,903,677	13,390,909	12,453,550	12,110,675	13,258,557
(4) Paid (cumulative) as of:										
End of policy year	4,724,972	2,280,640	3,998,193	4,587,310	4,148,338	5,099,747	7,442,638	5,278,316	5,075,141	6,263,858
One year later	6,589,823	3,980,907	7,676,519	8,125,563	6,459,139	8,963,129	10,877,735	7,826,451	7,779,534	-
Two years later	7,701,818	5,780,035	8,789,546	8,537,666	7,584,871	9,533,310	12,081,423	8,897,604	-	-
Three years later	8,097,861	6,501,494	9,318,516	8,794,687	8,380,724	10,142,792	12,397,024	-	-	-
Four years later	8,360,375	6,682,167	9,582,670	8,857,355	8,676,207	11,721,870	-	-	-	-
Five years later	8,650,221	7,452,932	9,770,650	8,696,711	8,731,718	-	-	-	-	-
Six years later	11,220,962	7,480,704	9,854,744	8,696,472	-	-	-	-	-	-
Seven years later	11,239,418	7,491,451	9,857,344	-	-	-	-	-	-	-
Eight years later	11,194,307	7,493,367	-	-	-	-	-	-	-	-
Nine years later	11,193,214	-	-	-	-	-	-	-	-	-
(5) Reestimated ceded claims and expenses	2,626,677	5,793,730	-	410,415	80,333	6,406,667	3,754,000	504,000	1,787,000	2,270,000
(6) Reestimated incurred claims and expenses:										
End of policy year	11,785,910	9,337,938	11,732,041	13,555,326	12,337,530	13,903,677	13,390,909	13,390,909	12,110,675	13,258,557
One year later	11,445,995	8,441,971	10,885,213	11,535,535	10,659,718	12,790,350	14,291,169	11,267,621	11,663,732	-
Two years later	10,887,661	7,382,291	10,871,501	9,686,389	9,329,125	12,616,301	13,526,980	10,957,854	-	-
Three years later	9,256,796	7,982,408	10,677,762	9,514,130	9,071,031	12,409,963	13,414,950	-	-	-
Four years later	9,632,503	7,943,704	10,029,163	9,081,161	8,957,426	12,246,163	-	-	-	-
Five years later	10,188,185	7,502,035	10,103,803	8,755,219	8,765,975	-	-	-	-	-
Six years later	11,371,696	7,527,440	10,041,782	8,699,485	-	-	-	-	-	-
Seven years later	11,311,480	7,510,940	10,025,432	-	-	-	-	-	-	-
Eight years later	11,194,314	7,495,451	-	-	-	-	-	-	-	-
Nine years later	11,193,214	-	-	-	-	-	-	-	-	-
(7) Increase (decrease) in estimated incurred claims and expenses from end of policy year	(592,696)	(1,842,487)	(1,706,609)	(4,855,841)	(3,571,555)	(1,657,514)	24,041	(1,495,696)	(446,943)	-

Other Supplemental Information

MASB-SEG Property/Casualty Pool, Inc. and Subsidiary

Schedule of Operations by Policy Years for MASB-SEG Property/Casualty Pool, Inc. Other Supplemental Information

	Prior Years	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Combined
Revenue												
Premiums	\$ 145,307,998	\$ 14,564,517	\$ 16,194,156	\$ 18,454,494	\$ 21,457,078	\$ 27,072,906	\$ 30,717,560	\$ 32,184,839	\$ 33,012,422	\$ 32,010,323	\$ 29,520,522	\$ 400,496,815
Investment income	33,297,882	1,501,168	221,772	63,275	1,115,395	1,700,085	892,545	1,123,628	1,536,414	1,139,616	217,267	42,809,047
Total revenue	178,605,880	16,065,685	16,415,928	18,517,769	22,572,473	28,772,991	31,610,105	33,308,467	34,548,836	33,149,939	29,737,789	443,305,862
Claims												
Paid	57,741,415	11,193,214	7,493,367	9,857,344	8,696,472	8,731,718	11,721,870	12,397,024	8,897,604	7,779,534	6,263,858	150,773,420
Reported reserves	3,271	-	2,084	168,088	3,013	34,257	475,698	996,133	1,704,065	2,597,763	2,570,403	8,554,775
IBNR reserves	-	-	-	-	-	-	48,595	21,793	356,185	1,286,435	4,424,296	6,137,304
Total claims	57,744,686	11,193,214	7,495,451	10,025,432	8,699,485	8,765,975	12,246,163	13,414,950	10,957,854	11,663,732	13,258,557	165,465,499
Excess of Revenue Over Claims - Before expenses	120,861,194	4,872,471	8,920,477	8,492,337	13,872,988	20,007,016	19,363,942	19,893,517	23,590,982	21,486,207	16,479,232	277,840,363
Expenses												
Service agent fees	896,819	53,108	59,991	64,678	70,745	8,284	-	-	-	-	-	1,153,625
Reinsurance fees	31,616,866	2,214,700	2,703,979	3,159,759	4,081,151	8,646,842	9,580,584	10,193,620	10,961,069	11,327,221	11,010,371	105,496,162
Administrative fees	8,833,106	838,184	898,264	974,299	1,273,489	1,543,156	1,720,184	2,263,275	2,277,857	2,208,712	2,184,519	25,015,045
MCCA assessment	4,675,672	77,935	95,174	182,976	443,601	629,144	1,222,457	1,299,883	1,319,144	1,293,566	1,194,488	12,434,040
Other	832,378	54,971	58,449	61,610	97,689	137,769	123,589	176,895	171,675	175,215	278,588	2,168,828
Total expenses	46,854,841	3,238,898	3,815,857	4,443,322	5,966,675	10,965,195	12,646,814	13,933,673	14,729,745	15,004,714	14,667,966	146,267,700
Excess of Revenue Over Expenses and Claims	74,006,353	1,633,573	5,104,620	4,049,015	7,906,313	9,041,821	6,717,128	5,959,844	8,861,237	6,481,493	1,811,266	131,572,663
Dividends Paid	5,910,768	-	-	-	-	-	-	-	-	-	-	5,910,768
Surplus Returned	62,787,158	1,048,015	4,379,880	3,370,555	4,126,347	4,095,445	2,183,737	1,250,000	1,000,000	-	-	84,241,137
Net Assets	<u>\$ 5,308,427</u>	<u>\$ 585,558</u>	<u>\$ 724,740</u>	<u>\$ 678,460</u>	<u>\$ 3,779,966</u>	<u>\$ 4,946,376</u>	<u>\$ 4,533,391</u>	<u>\$ 4,709,844</u>	<u>\$ 7,861,237</u>	<u>\$ 6,481,493</u>	<u>\$ 1,811,266</u>	<u>\$ 41,420,758</u>

This schedule of restated operations by policy years takes into account the most current information from the redetermination of the reserve for incurred but unpaid claims for the individual policy years June 30, 1987 through June 30, 2008.

MASB-SEG PROPERTY/CASUALTY POOL, INC.
INVESTMENT SCHEDULE
June 30, 2008

DESCRIPTION	COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)
FIXED INVESTMENTS	\$ 48,253,709	\$ 47,605,160	\$ (648,549)
EQUITY INVESTMENTS	16,311,517	15,801,229	(510,288)
MASB-SEG Reinsurance Ltd	6,963,730	6,963,730	-
INVESTMENT TOTALS	<u>\$ 71,528,956</u>	<u>\$ 70,370,119</u>	<u>\$ (1,158,837)</u>

MASB-SEG PROPERTY/CASUALTY POOL, INC.
FIXED INVESTMENT SCHEDULE
June 30, 2008

DESCRIPTION	RATE	MATURITY DATE	FACE VALUE	COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)
COMERICA						
1055031836						
JANUS INST MONEY MKT	2.630%	DAILY	1,695,580	1,695,580	1,695,580	0.00
FIXED INCOME						
ABBOTT LABS	5.875%	05/15/2016	500,000.00	499,550.00	514,430.00	14,880.00
ASTRAZENECA PLC	5.400%	09/15/2012	190,000.00	189,637.10	194,485.71	4,848.61
BANK AMERICA CORP	7.400%	01/15/2011	300,000.00	321,531.00	312,882.00	(8,649.00)
BEAR STEARNS COML MTG SECS TR	5.548%	09/11/2038	526,776.09	532,578.87	529,316.42	(3,262.45)
CPL TRANSITION FUNDING	5.960%	07/15/2015	600,000.00	619,429.69	621,971.04	2,541.35
CAPITAL ONE MULTI-ASSET SER	4.050%	03/15/2013	400,000.00	393,734.38	400,491.56	6,757.18
CAPITAL ONE MULTI-ASSET SER	4.700%	06/15/2015	450,000.00	440,753.91	445,536.14	4,782.23
CISCO SYS INC	5.500%	02/22/2016	300,000.00	298,629.00	302,673.00	4,044.00
CITICORP MTN MED TERM NTS	6.375%	11/15/2008	225,000.00	248,501.25	226,656.00	(21,845.25)
COMMERCIAL MORTGAGE CMO	5.540%	06/10/2046	436,293.75	438,202.30	438,760.16	557.86
CONSOLIDATED EDISON CO NY INC	5.625%	07/01/2012	350,000.00	368,518.50	356,107.50	(12,411.00)
FHLM GOLD POOL #A01516	11.250%	07/01/2014	11,123.21	14,726.01	11,586.94	(3,139.07)
FEDERAL HOME LN BKS	4.875%	11/18/2011	600,000.00	618,436.80	620,064.00	1,627.20
FEDERAL HOME LN BKS	5.500%	08/13/2014	360,000.00	374,498.26	382,500.00	8,001.74
FEDERAL NATL MTG ASSN	6.625%	11/15/2010	135,000.00	141,892.97	144,998.10	3,105.13
FEDERAL NATL MTG ASSN	5.500%	03/15/2011	580,000.00	639,805.80	609,365.40	(30,440.40)
FEDERAL NATL MTG ASSN	6.000%	05/15/2011	145,000.00	160,926.07	154,425.00	(6,501.07)
FEDERAL NATL MTG ASSN	4.625%	10/15/2013	40,000.00	38,358.88	40,775.20	2,416.32
FEDERAL HOME LN MTG CORP CMO SER	4.500%	05/15/2032	400,000.00	390,828.12	389,334.44	(1,493.68)
FEDERAL HOME LN MTG CORP	5.000%	01/15/2029	400,000.00	393,562.48	402,169.64	8,607.16
FEDERAL HOME LN MTG CORP SER	4.500%	01/15/2024	275,721.19	279,684.68	277,108.92	(2,575.76)
FEDERAL HOME LN MTG CORP SER	5.000%	08/15/2027	450,000.00	445,851.56	456,133.37	10,281.81
FEDERAL HOME LN MTG CDRP SER	5.000%	11/15/2030	500,000.00	488,203.13	497,304.85	9,101.72
FEDERAL HOME LN MTG CORP SER	5.500%	12/15/2033	450,000.00	446,343.75	480,971.81	14,628.06
FEDERAL HOME LN MTG CORP CMO	5.000%	03/15/2029	160,000.00	158,700.00	161,674.86	2,974.86
FEDERAL HOME LN MTG CORP CMO	5.750%	11/15/2036	326,327.07	323,624.66	332,918.09	9,293.43
FEDERAL NATL MTG ASSN GTD POOL #682461	4.000%	10/01/2018	324,756.96	313,399.70	308,762.68	(4,637.02)
FEDERAL NATL MTG ASSN GTD POOL	6.000%	04/01/2033	77,827.30	84,226.97	79,548.84	(4,678.13)
FEDERAL NATL MTG ASSN GTD POOL	5.000%	02/01/2038	493,436.86	475,087.18	474,638.92	(450.26)
GENERAL ELEC CAP CORP	8.000%	06/15/2012	375,000.00	410,635.00	387,521.25	(23,313.75)
GOVERNMENT NATL MTG ASSN	5.000%	01/15/2015	341,595.21	340,581.08	345,747.03	5,165.95
HSBC AUTOMOTIVE TR USA	5.670%	05/17/2013	300,000.00	299,986.31	303,880.25	3,693.94
HARLEY DAVIDSON MOTORCYCLE TR 20	5.220%	06/15/2013	375,000.00	374,868.16	382,244.70	7,376.54
HOUSEHOLD FIN CORP SER MTN	4.125%	11/16/2009	500,000.00	485,010.70	496,685.00	11,674.30
LOWES	6.100%	09/15/2017	400,000.00	402,639.50	406,368.00	3,728.50
NATIONAL RURAL UTILS COOP FIN	7.250%	03/01/2012	400,000.00	438,824.00	425,800.00	(12,824.00)
PROTECTIVE LIFE SEC'D TR SER 03-1	3.700%	11/24/2008	625,000.00	608,567.50	622,693.75	14,306.25
UNITED STATES TREAS BDS	7.500%	11/15/2016	610,000.00	742,176.33	761,975.40	19,799.07
UNITED STATES TREAS NTS	3.000%	02/15/2009	80,000.00	81,006.25	80,393.60	(612.65)
UNITED STATES TREAS NTS	4.125%	05/15/2015	700,000.00	709,187.50	723,352.00	14,164.50
UNITED STATES TREAS NTS	4.500%	03/31/2012	90,000.00	89,550.00	94,282.20	4,732.20
UNITED STATES TREAS NTS	4.125%	08/31/2012	500,000.00	525,917.97	517,540.00	(8,377.97)
UNITED STATES TREAS NTS	3.500%	05/31/2013	800,000.00	808,875.00	805,936.00	(2,939.00)
UNITED STATES TREAS NTS	3.875%	05/15/2018	370,000.00	371,850.00	366,906.80	(4,943.20)
VERIZON MD INC	8.125%	03/01/2012	200,000.00	203,724.00	203,176.00	(548.00)
WASHINGTON MUTUAL 2003-AR10 MTG	4.056%	10/25/2033	289,315.97	286,603.64	289,071.73	2,468.09
WACHOVIA BANK COML MTG TR CMO	5.110%	07/15/2042	400,000.00	396,156.25	391,010.16	(5,146.09)
WACHOVIA BANK COML MTG TR CMO	5.496%	01/15/2045	700,000.00	708,148.44	663,701.90	(24,446.54)
SUB TOTAL- COMERICA			19,758,753.88	20,119,130.91	20,131,454.62	12,323.71

MASB-SEG PROPERTY/CASUALTY POOL, INC.
FIXED INVESTMENT SCHEDULE
June 30, 2008

DESCRIPTION	RATE	MATURITY DATE	FACE VALUE	CDST	MARKET VALUE	UNREALIZED GAIN/(LOSS)
WESTERN ASSET MGT						
1055033781						
JANUS INSTL MONEY MKT	4.530%	DAILY	3,996,922.91	3,996,922.91	3,996,922.91	0.00
US GOVERNMENT						
US TREAS NTS	4.500%	03/31/2009	450,000.00	451,810.55	457,137.00	5,326.45
US TREAS NTS	3.500%	05/31/2013	30,000.00	30,140.62	30,222.80	81.98
US TREAS NTS	3.375%	06/30/2013	500,000.00	494,622.74	500,900.00	6,277.28
US TREAS BNDS	8.750%	05/15/2017	450,000.00	835,618.70	606,271.50	(29,347.20)
US TREAS BNDS	8.875%	08/15/2017	40,000.00	54,033.52	54,468.80	435.28
US TREAS NTS	4.750%	08/15/2017	1,545,000.00	1,635,898.25	1,636,742.10	843.85
US TREAS NTS	4.250%	11/15/2017	780,000.00	819,568.36	796,754.40	(22,813.96)
US TREAS NTS	3.500%	02/15/2018	440,000.00	427,332.81	423,535.20	(3,797.61)
US TREAS NTS	3.875%	05/15/2018	380,000.00	378,896.88	378,823.20	(2,073.68)
US TREAS BNDS	6.375%	08/15/2027	60,000.00	72,147.66	73,500.00	1,352.34
US TREAS BNDS	4.375%	02/15/2038	140,000.00	138,600.00	136,456.60	(2,143.40)
US GOVT AGENCIES & ASSET						
FNMA	6.000%	05/15/2011	680,000.00	743,824.12	724,200.00	(19,624.12)
FHML	3.750%	06/28/2013	130,000.00	129,988.30	127,618.40	(2,369.90)
FHLB	5.000%	12/21/2011	30,000.00	30,237.90	30,890.70	652.80
FHLB	4.750%	12/16/2016	10,000.00	9,946.60	10,056.30	109.70
INFLATION INDEX BONDS						
US TREAS NTS INFL	1.875%	07/15/2015	30,000.00	30,013.08	34,764.00	4,750.92
US TREAS NTS	2.500%	07/15/2016	30,000.00	30,598.74	34,935.00	4,336.26
US TREAS NTS	2.625%	07/15/2017	160,000.00	187,774.26	206,334.00	18,559.74
US TREAS NTS	2.375%	01/15/2027	90,000.00	89,250.77	100,602.00	11,351.23
MORTGAGE BACKED SECURITIES						
FNMA Pool # 450011	6.000%	12/01/2028	23,083.34	20,597.92	23,508.54	2,910.62
FNMA POOL #745275	5.000%	02/01/2036	243,161.58	233,837.85	233,897.12	59.27
FNMA POOL #888022	5.000%	02/01/2036	50,905.70	48,742.22	48,966.19	223.97
COLLATERALIZED MTG OBLIGATIONS						
INDYMAC MBS INC	4.750%	02/25/2019	52,164.09	50,477.29	46,945.31	(3,531.96)
COUNTRYWIDE INC	4.812%	02/25/2034	125,356.92	123,750.77	121,541.52	(2,209.25)
MERRILL LYNCH CMO	4.563%	02/25/2034	69,211.46	68,367.92	66,953.37	(1,414.55)
COUNTRYWIDE INC	6.052%	08/25/2034	46,168.80	46,657.18	41,490.55	(5,166.63)
WACHOVIA MTG	4.636%	08/20/2035	69,619.77	69,217.28	65,199.33	(4,017.95)
MORGAN STANLEY MTG LN TR CMO VAR	3.183%	12/25/2035	66,435.16	53,812.49	58,897.56	4,685.07
MORGAN STANLEY MTG LN TR CMO	6.096%	03/25/2036	140,857.48	132,956.26	108,544.11	(24,412.15)
WELLS FARGO MTG	5.240%	04/25/2038	123,635.91	122,689.33	121,715.54	(973.79)
BANC AMER FDG	5.828%	06/20/2036	70,154.67	70,196.52	64,493.90	(5,704.62)
WAMU MTG	5.502%	09/25/2036	81,144.72	81,170.07	77,762.83	(3,407.24)
WAMU MTG	5.933%	09/25/2036	68,776.49	69,098.89	64,549.44	(4,549.45)
WAMU MTG	5.759%	11/25/2036	140,000.00	116,725.00	119,765.80	3,040.80
MORGAN STANLEY MTG LN TR 2007-11 CMO	6.625%	06/25/2037	180,801.50	172,008.58	141,576.51	(30,432.07)
COMMERCIAL MTG	6.112%	07/10/2038	260,000.00	263,482.80	256,482.38	(7,000.42)
CREDIT SUISSE FIRST BOSTON MTG	5.609%	02/15/2039	160,000.00	157,500.00	154,094.03	(3,405.97)
CREDIT SUISSE FIRST BOSTON MTG	5.467%	09/15/2039	160,000.00	160,800.00	152,090.93	(8,709.07)
BEAR STEARNS COML MTG SECS INC	5.405%	12/11/2040	200,000.00	205,242.19	193,949.24	(11,292.95)
J P MORGAN CHASE COML MTG SECS T CMO	5.814%	06/12/2043	140,000.00	140,690.48	136,575.52	(4,114.96)
MORGAN STANLEY CAP	5.332%	12/15/2043	80,000.00	80,434.30	75,237.65	(5,196.65)
AMERICAN HOME MTG INVT TR CMO	5.294%	06/25/2045	42,209.31	41,780.62	35,503.06	(6,277.56)
BANC AMER COML MTG INC CMO	5.372%	09/10/2045	160,000.00	155,312.50	152,528.34	(2,784.16)
CITIGROUP COML MTG TR	5.431%	10/15/2049	180,000.00	178,157.81	170,612.87	(7,544.94)
ASSET BACKED SECURITIES						
ATLANTIC CITY ELEC TRANS FDG ABS	2.890%	07/20/2010	6,415.80	8,413.15	8,414.67	1.52
NELNET STUDENT LOAN TRUST ABS	4.100%	04/25/2024	40,000.00	40,000.00	40,250.00	250.00
RENAISSANCE HOME EQUITY LN TR 20	6.203%	06/25/2037	90,000.00	90,000.00	50,669.18	(39,330.84)
TBA						
FNMA TBA 15 YRS	6.000%	07/01/2023	80,000.00	82,300.00	82,000.00	(300.00)
FNMA TBA 30 YRS	5.000%	07/01/2038	600,000.00	580,838.95	575,064.00	(5,774.95)
GNMA TBA 30 YRS	5.000%	07/01/2038	200,000.00	192,000.00	193,750.00	1,750.00

MASB-SEG PROPERTY/CASUALTY POOL, INC.
FIXED INVESTMENT SCHEDULE
June 30, 2008

DESCRIPTION	RATE	MATURITY DATE	FACE VALUE	COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)
CORPORATE BONDS						
COUNTRYWIDE FINL CORP MEDIUM	5.289%	03/24/2009	30,000.00	22,950.00	28,809.60	5,859.60
INTERNATIONAL LEASE FIN CORP	5.000%	04/15/2010	100,000.00	97,638.00	99,985.00	2,347.00
LEHMAN BROS HLDGS INC	4.500%	07/25/2010	100,000.00	95,503.00	96,494.00	991.00
WASTE MANAGEMENT INC	7.375%	08/01/2010	100,000.00	105,455.00	104,458.00	(997.00)
VERIZON GLOBAL	7.250%	12/01/2010	100,000.00	104,676.00	106,165.00	1,489.00
SAFEWAY INC	6.500%	03/01/2011	100,000.00	112,530.00	103,426.00	(9,104.00)
WACHOVIA CAP TR	5.800%	03/15/2011	250,000.00	248,091.64	170,000.00	(78,091.64)
DELTA AIR LINES REPORTED TO BE IN DEFAULT	6.818%	03/18/2011	42,013.67	42,801.43	40,543.18	(2,258.24)
EXELON CORP	6.750%	05/01/2011	100,000.00	103,900.00	102,733.00	(1,167.00)
QUEST DIAGNOSTICS INC	7.500%	07/12/2011	80,000.00	86,776.00	84,505.60	(2,270.40)
AMERADA HESS CORP	6.650%	08/15/2011	200,000.00	206,128.00	208,770.00	3,642.00
DEVON FING CORP U L C	6.875%	09/30/2011	10,000.00	10,510.40	10,613.60	103.20
UNIVERSAL HEALTH SVCS INC	6.750%	11/15/2011	60,000.00	62,415.00	61,783.80	(631.20)
DUKE ENERGY CORP	6.250%	01/15/2012	100,000.00	102,164.00	104,375.00	2,211.00
OCCIDENTAL	6.750%	01/15/2012	100,000.00	105,442.00	107,403.00	1,961.00
FEDERATED RETAIL HLDGS	5.350%	03/15/2012	30,000.00	29,980.20	27,676.30	(2,303.90)
OWEST CORP VAR	8.875%	03/15/2012	50,000.00	53,875.00	51,000.00	(2,875.00)
SPRINT CAP CORP	8.375%	03/15/2012	95,000.00	110,106.45	94,050.00	(16,056.45)
WEYERHAEUSER CO	6.750%	03/15/2012	40,000.00	42,352.00	41,196.80	(1,155.20)
HOSPIRA INC	5.550%	03/30/2012	100,000.00	99,813.00	98,243.00	(1,570.00)
MORGAN ST DEAN WITTER	6.600%	04/01/2012	100,000.00	103,348.00	101,672.00	(1,676.00)
AOL TIME WARNER	6.875%	05/01/2012	100,000.00	103,070.00	102,305.00	(765.00)
AT&T WIRELESS SVCS	6.125%	05/01/2012	300,000.00	330,475.00	328,590.00	(1,885.00)
XEROX CORP	5.500%	05/15/2012	70,000.00	69,729.10	69,190.80	(538.30)
COUNTRYWIDE FINL CORP MEDIUM	5.800%	06/07/2012	140,000.00	130,306.00	132,413.40	2,107.40
ISTAR FINANCIAL INC	5.500%	06/15/2012	50,000.00	43,343.75	41,000.00	(2,343.75)
MIDAMERICAN ENERGY CQ	5.650%	07/15/2012	70,000.00	73,087.00	71,806.00	(1,281.00)
DOMINION RESOURCES INC	5.700%	09/17/2012	70,000.00	68,839.40	71,073.80	2,234.40
DOW CHEMICAL CO	6.000%	10/01/2012	260,000.00	264,188.00	269,406.80	5,218.80
CONOCOPHILLIPS	4.750%	10/15/2012	100,000.00	95,140.00	100,416.00	5,276.00
BOEING	5.800%	01/15/2013	70,000.00	74,997.30	73,464.30	(1,533.00)
DEERE JOHN CAP CORP GLOBAL	5.100%	01/15/2013	100,000.00	96,080.00	101,034.00	4,954.00
UNITED PARCEL SERVICE	4.500%	01/15/2013	50,000.00	49,787.50	50,101.00	313.50
UNITEDHEALTH GROUP INC	4.875%	02/15/2013	70,000.00	69,786.50	67,734.80	(2,051.70)
PRIVATE EXPT FND	3.550%	04/15/2013	50,000.00	49,931.50	48,422.00	(1,509.50)
ALLSTATE LIFE GLOBAL FDG	5.375%	04/30/2013	100,000.00	99,900.00	99,608.00	(292.00)
ISTAR FINANCIAL INC	5.950%	10/15/2013	100,000.00	97,824.00	82,000.00	(15,824.00)
DAIMLER CHRYSLER NORTH AMER	6.500%	11/15/2013	80,000.00	81,294.30	82,958.40	1,664.10
WASHINGTON MUTUAL INC	4.625%	04/01/2014	100,000.00	91,339.00	73,000.00	(18,339.00)
MAY DEPARTMENT STORES CO	5.750%	07/15/2014	50,000.00	49,379.50	45,145.50	(4,234.00)
CITIGROUP INC SER	5.000%	09/15/2014	110,000.00	104,116.10	101,677.60	(2,438.50)
JPMORGAN CHASE & CO	5.125%	09/15/2014	50,000.00	47,334.00	48,616.50	1,282.50
NEWS AMER INC	5.300%	12/15/2014	100,000.00	95,195.00	98,025.00	2,830.00
BOTTLING GROUP LLC	5.500%	04/01/2016	50,000.00	51,597.50	50,217.50	(1,380.00)
XTO ENERGY INC	5.650%	04/01/2016	100,000.00	96,621.00	99,132.00	2,511.00
EMBARQ CORP	7.082%	06/01/2016	60,000.00	62,053.50	56,985.00	(5,068.50)
ANADARKO PETE CORP	5.950%	09/15/2016	140,000.00	139,407.80	140,075.60	667.80
COMCAST	6.500%	01/15/2017	100,000.00	102,242.00	100,594.00	(1,648.00)
KINDER MORGAN	6.000%	02/01/2017	110,000.00	107,810.80	108,689.90	879.10
MORGAN	5.550%	04/27/2017	80,000.00	79,757.60	71,552.00	(8,205.60)
MERRILL LYNCH & CO INC	5.700%	05/02/2017	100,000.00	95,319.00	88,044.00	(7,275.00)
KIMBERLY CLARK CORP	6.125%	08/01/2017	100,000.00	107,503.00	103,835.00	(3,668.00)
BEAR STEARNS	6.400%	10/02/2017	110,000.00	109,678.80	108,700.90	(977.90)
AMERICAN GEN FIN CORP	6.900%	12/15/2017	190,000.00	188,651.00	165,596.40	(23,054.60)
UNITED TECHNOLOGIES CORP	5.375%	12/15/2017	80,000.00	79,845.60	79,936.80	91.20
AMERICAN INTL GROUP INC	5.850%	01/16/2018	10,000.00	9,944.90	9,368.50	(576.40)
BEAR STEARNS	7.250%	02/01/2018	50,000.00	49,863.00	52,178.50	2,315.50
PENNEY J C CORP	5.750%	02/15/2018	20,000.00	19,807.20	17,844.40	(1,962.80)
WAL-MART STORES INC	5.800%	02/15/2018	100,000.00	106,232.00	103,539.00	(2,693.00)
VERIZON COMMUNICATIONS	6.100%	04/15/2018	40,000.00	41,544.40	39,711.20	(1,833.20)
MERRILL LYNCH & CO INC	6.875%	04/25/2018	40,000.00	39,965.60	38,069.20	(1,896.40)
GENERAL ELEC CAP CORP	5.625%	05/01/2018	80,000.00	79,786.40	77,364.80	(2,421.60)
CONOCOPHILLIPS	5.200%	05/15/2018	20,000.00	19,998.20	19,710.40	(287.80)
DOW CHEMICAL CO	5.700%	05/15/2018	10,000.00	9,955.30	9,684.00	(271.30)
GLAXOSMITHKLINE CAP INC	5.650%	05/15/2018	60,000.00	59,963.40	59,770.80	(192.60)
PHILIP MORRIS INTL INC	5.650%	05/16/2018	100,000.00	99,736.00	97,196.00	(2,540.00)
SLM CORP	8.450%	06/15/2018	120,000.00	117,636.00	115,120.80	(2,515.20)
WILLIAMS COS INC	7.875%	09/01/2021	40,000.00	45,250.00	42,400.00	(2,850.00)
WILLIAMS COMPANIES	7.500%	01/15/2031	20,000.00	21,732.50	20,225.00	(1,507.50)
WILLIAMS COS INC	7.750%	06/15/2031	20,000.00	22,210.20	20,800.00	(1,410.20)
WILLIAMS COS INC	8.750%	03/15/2032	100,000.00	120,670.00	113,500.00	(7,170.00)
NELNET INC	7.400%	09/29/2036	60,000.00	60,544.80	39,228.00	(21,316.80)
WELLS FARGO CAP X	5.950%	12/15/2036	10,000.00	100,902.00	90,715.00	(10,187.00)
COMERICA CAP TR II	6.576%	02/20/2037	30,000.00	30,079.20	18,891.60	(11,187.60)
BAC CAP TR XIII	5.760%	03/15/2043-2012	20,000.00	16,750.00	15,095.00	(1,655.00)
CITIGROUP INC	8.400%	4/29/2049-2018	100,000.00	100,000.00	95,061.00	(4,939.00)
LEHMAN BROS HLDGS INC	6.190%	05/29/2049-2012	10,000.00	7,005.00	7,077.10	72.10
LEHMAN BROS HLDGS INC MANDATORY CAP ADV	5.857%	11/29/2049-2012	190,000.00	177,274.50	123,975.00	(53,299.50)
BANK OF AMERICA CORP	8.000%	12/29/2049	60,000.00	60,000.00	56,212.20	(3,787.80)
GOLDMAN SACHS CAP II	5.793%	12/29/2049-2012	250,000.00	236,213.43	173,840.00	(62,373.43)
BAC CAP TR XIV PFD HYBRID INCOME	5.630%	12/31/2049-2012	10,000.00	9,107.20	7,803.30	(1,303.90)
AMERICAN EXPRESS	6.800%	09/01/2066	150,000.00	156,303.70	138,681.00	(17,622.70)
SUNTRUST CAP VIII	6.100%	12/1/2066-2036	20,000.00	19,994.00	15,883.80	(4,110.20)
TRAVELERS COS INC	6.250%	03/15/2067-2017	80,000.00	75,269.60	68,731.20	(6,538.40)
GENERAL ELEC CAP CORP	6.375%	11/15/2067	75,000.00	75,000.00	70,935.75	(4,064.25)

MASB-SEG PROPERTY/CASUALTY POOL, INC.
FIXED INVESTMENT SCHEDULE
June 30, 2008

DESCRIPTION	RATE	MATURITY DATE	FACE VALUE	COST	MARKET VALUE	UNREALIZED GAIN/(LOSS)
FOREIGN BONDS AND NOTES						
ROYAL KPN NV	8.000%	10/01/2010	120,000.00	128,838.80	126,964.80	(1,874.00)
BRITISH TELECOM PLC	8.375%	12/15/2010	100,000.00	110,498.00	107,375.00	(3,123.00)
FRANCE TELECOM	7.750%	03/01/2011	100,000.00	108,421.00	105,904.00	(2,517.00)
VODAFONE GROUP PLC	5.350%	02/27/2012	50,000.00	49,974.00	50,183.50	209.50
TELEFONICA EMISIONES S A U	1.000%	02/04/2013	160,000.00	160,000.00	152,046.56	(7,953.44)
TRANSOCEAN SEDCO FOREX	5.250%	03/15/2013	40,000.00	39,947.20	39,780.00	(167.20)
TYCO INTL GROUP	6.000%	11/15/2013	100,000.00	99,157.00	96,491.00	(2,666.00)
TELECOM ITALIA CAP	5.250%	10/01/2015	100,000.00	92,904.00	91,516.00	(1,388.00)
DEUTSCHE TELEKOM INTL FIN	5.750%	03/23/2016	100,000.00	97,475.00	97,571.00	96.00
MUFG CAPITAL FIN I LTD VAR	6.346%	07/25/2016	100,000.00	103,366.00	88,290.00	(15,076.00)
DEUTSCHE BK AG LONDON	6.000%	09/01/2017	70,000.00	73,847.20	70,802.55	(3,044.65)
AMERICA MOVIL S A DE C V	5.625%	11/15/2017	20,000.00	19,926.60	19,261.80	(664.80)
VALE OVERSEAS LTD	6.875%	11/21/2036	110,000.00	117,926.90	104,296.50	(13,630.40)
EQUITY SECURITIES PREFERRED STOCK						
FEDERAL HOME LN MTG CORP PFO	8.375%	DAILY	2,700.00	67,500.00	85,610.00	(1,890.00)
FEDERAL NATL MTG ASSN		DAILY	1,800.00	45,000.00	41,310.00	(3,690.00)
SUB TOTAL-WESTERN ASSET MGT			22,310,559.28	22,900,293.04	22,234,630.33	(665,662.71)
DANA - END OF DAY SWEEP						
JANUS INSTL MONEY MKT	4.630% DAILY		777,020.69	777,020.89	777,020.89	0.00
MORTGAGE BACKED SECURITIES						
FHLMC POOL	6.408%	02/01/2032	519,374.28	523,918.81	523,046.26	(872.55)
FNMA	6.500%	08/01/2033	98,470.56	99,518.61	100,273.56	756.75
FHLMC POOL	7.305%	09/01/2033	312,207.76	314,159.06	313,035.11	(1,123.95)
FNMA	6.414%	12/01/2033	487,762.37	492,639.99	495,269.03	2,629.04
FNMA	8.391%	03/01/2034	393,566.17	397,747.81	401,134.45	3,386.64
FNMA	4.600%	05/01/2034	294,206.90	296,413.45	294,595.26	(1,611.19)
FNMA	5.721%	07/01/2034	666,451.63	672,907.89	670,803.62	(2,104.27)
FHLMC POOL	5.696%	01/01/2035	397,017.52	399,995.15	400,070.58	75.43
FHLMC POOL	5.773%	04/01/2035	339,335.46	341,986.51	342,012.82	26.31
FNMA	6.031%	12/01/2035	366,389.47	369,804.19	367,779.99	(2,024.20)
FNMA	6.143%	05/01/2038	545,108.45	548,174.69	554,233.56	6,058.87
SUB TOTAL-DANA			5,198,891.46	5,234,285.25	5,239,075.13	4,789.88
TOTAL INVESTMENTS			47,266,204.61	48,253,709.20	47,605,160.08	(648,549.12)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
MONEY FUNDS		460,865	1.000	460,865	460,865	0 00
3M COMPANY	MMM	948	63.890	79,527 72	65,971 32	(13,556 40)
3M COMPANY	MMM	20	77 550	1,550 00	1,391 80	(158 20)
ABB LTD SPON ADR	ABB	4,140	33 234	137,592 23	117,244 80	(20,347 43)
ABB LTD SPONS ADR	ABB	1,740	17 840	31,043 17	49,276 80	18,233 63
ABBOTT LABORATORIES	ABT	128	56.63	7,249 19	6,780.16	(469 03)
ABBOTT LABORATORIES	ABT	61	57 320	3,497 12	3,231 17	(265 95)
ABBOTT LABORATORIES	ABT	271	55 540	15,053 10	14,354 87	(698 23)
ABBOTT LABORATORIES	ABT	37	53 460	1,978 15	1,959.89	(18.26)
ABBOTT LABORATORIES	ABT	222	54 830	12,172 46	11,759 34	(413 12)
ABBOTT LABS	ABT	1,382	54.250	74,973.50	73,204.54	(1,768 96)
ACCENTURE LTD	CAN	1,915	41 420	79,331 75	77,978 80	(1,352.95)
ACCENTURE LTD	CAN	91	37 640	3,425 24	3,705.52	280.28
AETNA INC	AET	603	43.779	26,398 74	24,439 59	(1,959 15)
AETNA INC	AET	1,600	43 976	70,362 88	64,848 00	(5,514 88)
AFFILIATED COMPUTER SVCS INC	ACS	1,317	55 864	73,573 15	70,446 33	(3,126 82)
ALLIANCE BERNSTEIN HLDG LP MLP	AB	1,140	65 923	75,152 90	62,335.20	(12,817.70)
ALLIANZ SE ADR	AZ	965	21 740	20,987 79	16,839.25	(4,148 54)
ALLIANZ SE ADR	AZ	485	20 570	9,976 45	8,463.25	(1,513.20)
AMERICA MOVIL S.A B DE CV	AMX	165	61 720	10,185 19	8,703 75	(1,481 44)
AMERICA MOVIL S.A B DE CV	AMX	138	57 768	7,971 98	7,279 50	(692 48)
AMERICAN EXPRESS CO	AXP	847	45 568	38,596 10	31,906 49	(6,689 61)
ANADARKO PETROLEUM CORP	APC	442	49 550	21,903 62	33,079.28	11,175 66
ANADARKO PETROLEUM CORP	APC	187	65 000	12,155 00	13,995 08	1,840.08
ANADARKO PETROLEUM CORP	APC	731	78 429	57,331 63	54,708 04	(2,623 79)
APACHE CORP	APA	516	148 396	76,572 34	71,724 00	(4,848.34)
APACHE CORP	APA	694	137.670	95,542 98	96,466 00	923 02
AT & T INC	T	80	24 740	1,979 50	2,695.20	715 70
AT & T INC	T	80	24 760	1 981 21	2,695 20	713 99
AT & T INC	T	205	24 750	5,074 53	6,906 45	1,831.92
AT & T INC	T	395	24 670	9,745 52	13,307.55	3,562.03
AT & T INC	T	234	24 630	5,765.25	7,883 46	2,118.21
AT & T INC	T	380	36 890	14,020.25	12,802 20	(1,218 05)
AT & T INC	T	146	39 670	5,821 02	4,918 74	(902.28)
AT & T INC	T	111	20 370	2,257.67	3,732 97	1,475.30
AT & T INC	T	812	20 370	16,549 26	27 362 90	10,813.64
AT&T	T	1,920	33 510	64,341 70	64,684.80	343 10
AT&T INC	T	841	35 550	29,903 27	28,333 29	(1,569 98)
AT&T INC	T	2,209	40 437	89,325.33	74,421 21	(14,904 12)
AVALONBAY COM INC	AVB	428	99 800	42,714 70	38,160 48	(4,554 22)
AVON PRODUCTS INC	AVP	1,360	39 069	53,133 84	48,987 20	(4,146 64)
AXA SA SPONS ADR	AXA	1,015	42 600	43,247 73	29,861 30	(13,386 43)
BANCO BILBAO VIZCAYA-SP ADR	BBV	1,695	24 310	41,214 77	32,154 15	(9,060 62)
BANK NEW YORK	BK	15	42.860	649 02	572 75	(76.27)
BANK NEW YORK	BK	32	43.000	1,379.34	1,213 39	(165.95)
BANK NEW YORK	BK	287	43 140	12,373 41	10,849.08	(1,524 33)
BANK NEW YORK	BK	45	41.850	1,883 45	1,702 35	(181 10)
BANK NEW YORK	BK	40	40.790	1,631.91	1,513.20	(118.71)
BANK NEW YORK	BK	280	42.250	11,830.76	10,592 40	(1,238 36)
BANK NEW YORK	BK	532	41.910	22,300.22	20,125.56	(2,174.66)
BANK NEW YORK	BK	163	42.080	6,860 56	6,166.29	(694.27)
BANK NEW YORK	BK	132	45.389	5,991 35	4,993 56	(997.79)
BANK NEW YORK	BK	615	40 603	24,970 91	23,265 45	(1,705 46)
BARCLAYS PLC-ADR	BCS	1,075	58 510	62,898 25	24,886 25	(38,012 00)
BAXTER INTL INC	BAX	1,134	60 451	68,551.77	72,507 96	3,956 19
BAXTER INTL INC	BAX	82	61.720	5,061.04	5,243 08	182 04
BAYER A G SPONSORED	BAYRY	155	78 430	12,156 96	13,026 20	869 24
BAYER A G SPONSORED	BAYRY	95	82 490	7,836 55	7,983 80	147 25
BECTON DICKINSON & CO	BDX	854	60 850	51,968 03	69,430.20	17,462 17
BEST BUY CO INC	BBY	771	42 059	32 427 49	30,531 60	(1,895.89)
BEST BUY INC	BBY	1,433	49 100	70,361 45	56,746 80	(13,614 65)
BEST BUY INC	BBY	290	43 637	12,654 73	11,484 00	(1,170 73)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
BG GROUP PLC SPONS ADR	BRGY	245	68.230	16,718.14	31,863.96	15,145.82
BHP BILLITON LTD SPON ADR	GHP	671	82.892	55,419.57	57,162.49	1,742.92
BHP BILLITON LTD SPONS ADR	BHP	505	43.050	21,742.57	43,020.95	21,278.38
BNP PARIBAS SPON ADR	BNPOY	900	52.350	47,115.00	40,796.10	(6,318.90)
BOEING CO	BA	794	83.230	66,092.24	52,181.68	(13,910.56)
BOEING CO	BA	93	84.000	7,886.40	6,111.96	(1,774.44)
BRITISH AMERICAN TOBACCO PLC ADR	BTI	495	61.090	30,244.30	34,278.75	4,034.45
BURLINGTON NTHN SANTA FE CORP	BNI	773	103.593	80,077.85	77,214.97	(2,862.88)
CAMERON INTERNATIONAL CORP	CAM	1,377	28.320	38,997.33	76,216.95	37,219.62
CANON INC ADR	CAJ	590	54.170	31,963.25	30,213.90	(1,749.35)
CHESAPEAKE ENERGY CORP OKLA	CHK	1,930	59.709	115,239.21	127,302.80	12,063.59
CHUBB CORP	CB	1,392	53.092	73,905.18	68,221.92	(5,683.26)
CISCO SYS INC	CSCO	2,179	19.390	42,250.81	50,683.54	8,432.73
CISCO SYS INC	CSCO	473	19.420	9,185.66	11,001.98	1,816.32
CISCO SYS INC	CSCO	256	25.780	6,599.68	5,954.56	(645.12)
CISCO SYS INC	CSCO	981	19.770	19,401.73	22,818.06	3,416.33
CISCO SYS INC	CSCO	650	17.960	11,680.37	15,119.00	3,438.63
CISCO SYS INC	CSCO	1,819	26.640	48,458.16	42,309.94	(6,148.22)
CITIGROUP INC	C	1,510	23.489	35,468.39	25,307.60	(10,160.79)
COACH INC	COH	2,007	36.655	73,568.19	57,962.16	(15,606.03)
COCA-COLA CO	KO	1,333	43.850	58,452.05	69,289.34	10,837.29
COCA-COLA CO	KO	520	44.690	23,238.80	27,029.60	3,790.80
COCA-COLA CO	KO	319	47.720	15,222.68	16,581.62	1,358.94
COCA-COLA CO	KO	541	57.739	31,236.80	28,121.18	(3,115.62)
COLGATE PALMOLIVE CO	CL	1,058	60.728	64,251.18	73,107.80	8,856.62
COMCAST CORP NEW	CMCSA	1,821	22.080	40,207.68	34,544.37	(5,663.31)
COMPANHIA VALE DI RIO ADR DOCE	RIO	825	16.990	14,020.87	29,551.50	15,530.63
CONOCOPHILIPS	COP	1,072	89.073	95,486.58	101,186.08	5,699.50
CORNING INC	GLW	3,360	27.990	94,046.40	77,448.00	(16,598.40)
COSTCO WHOLESALE CORP	COST	920	73.089	67,242.71	64,528.80	(2,713.91)
CVS CORP	CVS	129	32.800	4,232.33	5,104.53	872.20
CVS CORP	CVS	180	32.590	5,867.21	7,122.60	1,255.39
CVS CORP	CVS	50	32.060	1,603.07	1,978.50	375.43
CVS CORP	CVS	310	33.110	10,264.78	12,266.70	2,001.92
CVS CORP	CVS	754	35.000	26,390.00	29,835.78	3,445.78
CVS CORP	CVS	1,106	29.440	32,571.48	43,764.42	11,192.94
DBS GROUP HLDG LTD SP ADR	DBSDY	336	57.940	19,470.19	18,656.73	(813.46)
DBS GROUP HLDG LTD SP ADR	DBSDY	9	58.500	526.50	499.73	(26.77)
DBS GROUP HLDG LTD SP ADR	DBSDY	169	63.220	10,685.04	9,383.89	(1,301.15)
DBS GROUP HLDG LTD SP ADR	DBSDY	1	63.150	63.15	55.53	(7.62)
DBS GROUP HLDG LTD SP ADR	DBSDY	163	56.690	9,241.59	9,050.74	(190.85)
DEERE AND CO	DE	832	86.411	71,894.53	60,012.16	(11,882.37)
DELL INC	DELL	2,894	27.660	80,055.85	63,320.72	(16,735.13)
DELL INC	DELL	975	19.320	18,837.00	21,333.00	2,496.00
E ONAG SPONS ADR	EONGY	400	43.660	17,464.40	26,881.20	9,416.80
E ONAG SPONS ADR	EONGY	195	53.670	10,467.41	13,104.58	2,637.17
E ONAG SPONS ADR	EONGY	130	62.670	8,147.71	8,736.39	588.68
E ONAG SPONS ADR	EONGY	61	69.850	4,261.19	4,099.38	(161.81)
E ONAG SPONS ADR	EONGY	19	69.470	1,319.97	1,276.86	(43.11)
E ONAG SPONS ADR	EONGY	140	63.520	8,893.86	9,408.42	514.56
EATON CORP	ETN	145	31.800	4,612.34	12,320.65	7,708.31
EATON CORP	ETN	194	39.970	7,754.61	16,464.18	8,729.57
EDISON INTL	EIX	1,660	51.636	85,715.93	85,290.80	(425.13)
ELI LILLY & CO	LLY	1,332	51.630	68,771.16	61,485.12	(7,286.04)
ELI LILLY & CO	LLY	215	48.555	10,439.33	9,924.40	(514.93)
EMERSON ELECTRIC CO	EMR	790	33.300	26,310.95	39,065.50	12,754.55
EMERSON ELECTRIC CO	EMR	546	31.965	17,463.81	26,999.70	9,535.89
ENI SPA SPONSORED ADR	E	682	61.380	41,861.16	50,624.86	8,763.70
ENI SPA SPONSORED ADR	E	143	61.380	8,777.34	10,614.89	1,837.55
EQUITABLE RESOURCES	EQT	1,540	73.269	112,835.20	106,352.40	(6,482.80)
EXPRESS SCRIPTS INC COMMON	ESRX	1,048	59.730	62,598.72	65,730.56	3,131.84
EXXON MOBIL CORP	XOM	1,131	94.039	106,358.79	99,675.03	(6,683.76)
FOMENTO ECONOMICO MEXICANO S	FMX	465	36.780	17,107.070	21,162.15	4,055.08
FORTIS NL SPONSORED ADR NEW	FORSY	825	43.150	35,598.75	13,206.60	(22,392.15)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
FPL GROUP	FPL	1,360	65 717	89,375 90	89,188.80	(187 10)
FREEPORT MCMORAN COPPER	FCX	503	54,730	27,530.65	58,946 57	31,415.92
FREEPORT MCMORAN COPPER	FCX	130	48,890	6,356 66	15,234 70	8,878 04
FREEPORT MCMORAN COPPER & GO FCX		291	72 740	21,167 66	34,102.29	12,934 63
FREEPORT MCMORAN COPPER & GC FCX		144	72 410	10,428 03	16,875 36	6,447 33
FREEPORT MCMORAN COPPER & GO FCX		94	99 520	9,355 72	11,015 86	1,660 14
FREEPORT MCMORAN COPPER & GO FCX		38	117 790	4,476 02	4,453 22	(22 80)
GENERAL DYNAMICS CORP	GD	815	92 750	75,596 05	68,623 00	(6,973 05)
GENERAL ELECTRIC CO	GE	49	38,200	1,871 83	1,307 81	(564 02)
GENERAL ELECTRIC CO	GE	750	36,310	27,238 43	20 017 50	(7,220 93)
GENERAL ELECTRIC CO	GE	35	35 730	1,250 86	934 15	(316 71)
GENERAL ELECTRIC CO	GE	321	38 600	12,392 37	8,567 49	(3,824 88)
GENETECH INC	DNA	1,250	70 369	87,961 38	94,875 00	6,913 62
GENL DYNAMICS CORP	GD	766	91 558	70,133 43	64,497.20	(5,636 23)
GENL DYNAMICS CORP	GD	87	93 480	8,133 55	7,325 40	(808 15)
GENL DYNAMICS CORP	GD	1,050	94 901	99,647 00	88,410.00	(11,237 00)
GENL ELECTRIC CO	GE	2,110	32,580	68,743.80	56,315.90	(12,427 90)
GILEAD SCIENCES INC	GILD	1,378	32 970	45,444.73	72,965 10	27,520 37
GLAXOSMITHKLINE PLC SP ADR	GSK	715	56 170	40,168 05	31,617.30	(8,550 75)
GOLDMAN SACHS GROUP INC	GS	440	187.500	82,500 00	76,956 00	(5,544.00)
GOODRICH CORP	GR	1,069	70 840	75,731 70	50,734.74	(24,996 96)
GOODRICH CORP	GR	43	67 390	2,897.77	2,040.78	(856 99)
H J HEINZ CO	HNZ	1,551	46 000	71,359 50	74,215 35	2,855.85
HALLIBURTON CO	HAL	458	41.800	19,145 68	24,306.06	5,160.38
HALLIBURTON CO	HAL	1,106	47 630	52,678 78	58,695 42	6,016 64
HALLIBURTON CO HOLDINGS CO	HAL	1,578	32 560	51,381 10	83,744 46	32,363.36
HELMERICH & PAYNE INC	HP	736	71.828	52 865.72	53,006 72	141 00
HESS CORP	HES	752	113 886	85,642 80	94,894 88	9,252 08
HEWLETT PACKARD	HPQ	307	44 950	13,802.44	13,572 47	(229 97)
HEWLETT PACKARD	HPQ	190	46 650	8,864.24	8,399 90	(464 34)
HEWLETT PACKARD	HPQ	172	46 610	8,017 56	7,604 12	(413 44)
HEWLETT PACKARD	HPQ	50	47.860	2,393 48	2,210 50	(182 98)
HEWLETT PACKARD	HPQ	202	47 550	9,605.42	8,930 42	(675 00)
HEWLETT PACKARD	HPQ	948	49.040	46,489 92	41,911 08	(4,578 84)
HEWLETT PACKARD CO	HPQ	1,505	39 870	60,018.95	66,536 05	6,517 10
HEWLETT PACKARD CO	HPQ	721	40 600	29,278.51	31,875 41	2,596 90
HEWLETT PACKARD CO	HPQ	259	41 280	10,693 18	11,450 39	757 21
HEWLETT PACKARD CO	HPQ	1,360	47 670	64,831.20	60,125 60	(4,705 60)
HONDA MOTOR CO LTD ADR-NEW	HMC	685	37 170	25,461 45	23,310 55	(2,150 90)
HONEYWELL INTL INC	HON	1,250	51 290	64,123 37	62,850 00	(1,273 37)
HSBC HLDG PLC SP ADR NEW	HBC	635	87.570	55,612 09	48,704.50	(6,907 59)
HSBC HLDG PLC SP ADR NEW	HBC	15	83 960	1,259 40	1,150.50	(108 90)
ILLINOIS TOOL WORKS INC	ITW	472	42 630	20 121 88	22,424 72	2,302 84
ILLINOIS TOOL WORKS INC	ITW	550	40,570	22,318 12	26,130 50	3,812 38
ILLINOIS TOOL WORKS INC	ITW	344	40 615	13,971 56	16,343 44	2,371.88
ILLINOIS TOOL WORKS INC	ITW	35	53 700	1,879.50	1,662 85	(216.65)
ING GROEP NV SPONS ADR	ING	1,030	42 650	43,929 50	32,496 50	(11,433 00)
ING GROEP NV SPONS ADR	ING	162	38 210	8,190.91	5,111 10	(1,079 81)
ING GROEP NV SPONS ADR	ING	28	38 440	1,076.58	883 40	(193 18)
INTEL CORP	INTC	1,533	19 660	30,138.78	32,928 84	2,790 06
INTEL CORP	INTC	1,155	20 970	24,220 35	24,809 40	589 05
INTEL CORP	INTC	1,372	27 190	37,310 58	29,470 56	(7,840 02)
INTL BUSINESS MACH	IBM	727	124 754	90,696 16	86,171 31	(4,524 85)
INTL BUSINESS MACHINES CORP	IBM	585	80 640	47,174 40	69,340.05	22,165 65
INTL BUSINESS MACHINES CORP	IBM	427	82.780	35,347 06	50,612 31	15,265 25
INTL BUSINESS MACHINES CORP	IBM	623	127 000	79,550.93	73,844 19	(5,706 74)
ISHARES COHEN & STEERS REALTY	ICF	2,290	88 688	203,097.30	172,070 60	(31,026 70)
ISHARES TR MSCI EAFE INDEX FD	EFA	186	81.520	15,163.85	12,772 62	(2,391.23)
ISHARES TR MSCI EAFE INDEX FD	EFA	16,384	78.740	1,290,076 16	1,125,089 28	(164,986.88)
JOHNSON & JOHNSON	JNJ	1,117	60 540	67,623.18	71,867 78	4,244 60
JOHNSON & JOHNSON	JNJ	8	66 740	533.92	514 72	(19.20)
JOHNSON & JOHNSON COM	JNJ	1,329	66 850	88,843.650	85,507 86	(3,335 79)
JOHNSON CONTROLS INC	JCI	1,920	37.660	72,308.99	55,065 60	(17,243 39)
JOHNSON CONTROLS INC	JCI	258	34.375	8,868 75	7,399 44	(1,469 31)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
JOHNSON CONTROLS INC	JCI	1,076	33 689	36,249.36	30,859.68	(5,389.68)
JP MORGAN CHASE & CO	JPM	104	32 080	3,323.70	3,554.27	230.57
JP MORGAN CHASE & CO	JPM	319	32 190	10,281.79	10,958.86	677.07
JP MORGAN CHASE & CO	JPM	400	45 290	18,117.08	13,724.00	(4,393.08)
JP MORGAN CHASE & CO	JPM	681	43 320	29,505.01	23,365.11	(6,139.90)
JP MORGAN CHASE & CO	JPM	610	39.920	24,353.15	20,929.10	(3,424.05)
KIMBERLY CLARK CORP	KMB	867	62.990	54,612.33	51,829.26	(2,783.07)
KOMATSU LTD ADR NEW	KMTUY	33	137 920	4,551.57	3,685.87	(865.70)
KOMATSU LTD ADR NEW	KMTUY	52	137 310	7,140.15	5,808.03	(1,332.12)
KOMATSU LTD ADR NEW	KMTUY	29	133 600	3,874.63	3,239.10	(635.53)
KOMATSU LTD ADR NEW	KMTUY	63	114.110	7,188.94	7,036.66	(152.28)
KOMATSU LTD ADR NEW	KMTUY	15	121.000	1,815.00	1,675.39	(139.61)
KONINKLIJKE PHILLIPS ELEC NS SPO	PHG	555	36.740	20,390.70	18,759.00	(1,631.70)
KONINKLIJKE PHILLIPS ELEC NS SPO	PHG	265	39 190	10,386.97	8,957.00	(1,429.97)
KRAFT FOODS INC CL A	KFT	1,630	32 810	53,480.30	46,373.50	(7,106.80)
KROGER CO	KR	2,775	24.970	69,304.51	80,114.25	10,809.74
KROGER CO	KR	130	19 390	2,521.34	3,753.10	1,231.76
KROGER CO	KR	62	19.370	1,201.51	1,789.94	588.43
KROGER CO	KR	195	18.920	3,689.61	5,629.65	1,940.04
KROGER CO	KR	110	18 960	2,086.41	3,175.70	1,089.29
KROGER CO	KR	61	18 980	1,157.94	1,761.07	603.13
KROGER CO	KR	104	20 030	2,083.47	3,002.48	919.01
KROGER CO	KR	411	23 590	9,696.72	11,865.57	2,168.85
KROGER CO	KR	150	23 150	3,472.50	4,330.50	858.00
KROGER CO	KR	565	24 650	13,930.24	16,311.55	2,381.31
KROGER CO	KR	549	24 330	13,362.44	15,849.63	2,487.19
LABORATORY CORP AMER HLDGS	LH	919	75 980	69,828.93	63,989.97	(5,838.96)
LABORATORY CORP AMER HLDGS	LH	45	77.590	3,491.55	3,133.35	(358.20)
LAFARGE SPONS ADR NEW LAFARGE	LRFGY	1,400	37.390	52,347.40	53,705.40	1,358.00
LILLY ELI & CO	LLY	549	55.040	30,218.99	25,341.84	(4,877.15)
LILLY ELI & CO	LLY	911	49 519	45,111.81	42,051.76	(3,060.05)
LINCOLN NATL CORP IND	LNC	1,147	52 808	60,570.78	51,982.04	(8,588.74)
LINCOLN NATL CORP IND	LNC	1,140	55 990	63,828.71	51,664.80	(12,163.91)
LOCKHEAD MARTIN CORP	LMT	703	86 880	61,077.69	69,357.98	8,280.29
LOCKHEED MARTIN CORP	LMT	600	105 628	63,377.16	59,196.00	(4,181.16)
M & T BANK CORP	MTB	442	91.239	40,327.73	31,178.68	(9,149.05)
MASTERCARD INC	MA	285	296.845	84,600.83	75,673.20	(8,927.63)
MCDONALDS CORP	MCD	1,235	42 080	51,969.30	69,431.70	17,462.40
MCDONALDS CORP	MCD	326	59 750	19,478.50	18,327.72	(1,150.78)
MEMC ELECTRONIC MATERIALS INC	WFR	961	45 210	43,450.080	59,139.94	15,689.86
MEMC ELECTRONIC MATERIALS INC	WFR	148	67 633	10,009.710	9,107.92	(901.79)
MERCK & CO	MRK	1,881	39.030	73,415.43	70,894.89	(2,520.54)
METLIFE INC	MET	1,200	60.278	72,334.20	63,324.00	(9,010.20)
MICROSEMI CORP	MSFT	1,451	26 360	38,261.41	39,917.01	1,655.60
MICROSOFT	MSFT	972	26 500	25,767.33	26,739.72	972.39
MICROSOFT	MSFT	723	25 370	18,342.51	19,889.73	1,547.22
MICROSOFT	MSFT	417	25 190	10,504.23	11,471.67	967.44
MICROSOFT	MSFT	393	29 950	11,770.35	10,811.43	(958.92)
MICROSOFT CORP	MSFT	1,789	26 600	52,954.40	49,215.39	(3,739.01)
MITSUBISHI CORP SPONS ADR	MSBHY	969	46 950	45,494.55	63,987.91	18,493.36
MITSUBISHI EST CO LTD ADR	MITEY	95	316 000	30,020.00	21,777.23	(8,242.77)
MITSUBISHI UFJ FINANCIAL GROUP IN	MTU	2,120	12 220	25,906.40	18,656.00	(7,250.40)
MURPHY OIL CORP	MUR	890	61 100	54,380.96	87,264.50	32,883.54
NATIONAL GRID PLC GBP SPONS ADR	NGG	280	75 150	21,044.04	18,471.60	(2,572.44)
NATIONAL OILWELL VARCO INC	NOV	992	56 590	56,142.94	88,010.24	31,867.30
NATL-OILWELLVARCO	NOV	1,107	74 468	82,437.07	98,213.04	15,775.97
NESTLE S A SPONSORED ADR	NSRGY	706	121.500	85,779.00	79,984.85	(5,794.15)
NESTLE S A SPONSORED ADR	NSRGY	460	93 350	42,941.00	52,114.78	9,173.78
NEWS CORP CLASS B NEW	NWS	860	23.800	20,468.00	13,201.00	(7,267.00)
NIDEC CORPORATION SPON ADR	NJ	2,085	16 290	33,981.96	34,673.55	691.59
NIKE INC CL B	NKE	1,080	40 570	43,815.60	64,378.80	20,563.20
NIKE INC CL B	NKE	423	64 563	27,310.40	25,215.03	(2,095.37)
NISSAN MTR LTD SPONS ADR	NSANY	335	23 020	7,714.55	5,510.75	(2,203.80)
NISSAN MTR LTD SPONS ADR	NSANY	472	22 370	10,560.86	7,764.40	(2,796.46)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
NISSAN MTR LTD SPONS ADR	NSANY	13	22 330	290.30	213 85	(76 45)
NOKIA HOLDINGS INC ADR	NOK	1,415	21 730	30,747 95	34,667 50	3,919 55
NOMURA HOLDINGS INC ADR	NMR	1,000	21 500	21,508 50	14,750 00	(6,758 50)
NORDSTROM INC	JWN	676	35 278	23,848 54	20,482.80	(3,365 74)
NORSK HYDRO A S	NHYDY	750	14.200	10,656.60	10,955 25	298 65
NOVARTIS AG ADR	NVS	133	58 520	7,783 57	7,320.32	(463.25)
NOVARTIS AG ADR	NVS	314	56 250	17,663.22	17,282 56	(380 66)
NOVARTIS AG ADR	NVS	933	52.753	49,218 92	51,352 32	2,133 40
NOVARTIS AG ADR	NVS	780	55 450	43,251 00	42,931 20	(319 80)
NRG ENERGY INC NEW	NRG	1,849	42.260	78,139 48	79,322 10	1,182 62
NUCOR CORP	NUE	923	53 790	49,655 00	66,920 41	19,265 41
NUCOR CORP	NUE	256	81 561	20,879 64	19,115 52	(1,764 12)
NUCOR CORP	NUE	502	74 100	37,198 20	37,484 34	286 14
NVIDIA CORP	NVDA	2,432	15 780	38,385 28	45,517 68	7,132 40
NVIDIA CORP	NVDA	113	14 790	1,664 42	2,106 00	441 58
NVIDIA CORP	NVDA	887	21 848	19,379 18	16,604 64	(2,774 54)
OCCIDENTAL PETROLEUM CRP	OXY	1,115	87.320	97,361 80	100,193 90	2,832.10
OMNICOM GROUP INC	OMC	1,374	47 040	64,634.00	61,665 12	(2,968 88)
OMNICOM GROUP INC	OMC	159	49.059	7,800 43	7,135.92	(664 51)
ORACLE CORP	ORCL	3,299	14 010	46,218.99	69,279 00	23,060 01
PENNEY J C CO INC	JCP	866	42 914	37,163 52	31,427 14	(5,736 38)
PEPSICO INC	PEP	1,250	68 068	85,085 85	79,487 50	(5,598.35)
PETROBRAS	PBR	455	22 715	10,337 47	32,227 65	21,890.18
PHILIP MORRIS INTL INC	PM	787	52 190	41,073 53	38,869 93	(2,203.60)
PRAXAIR INC	PX	799	61.530	49,167.02	75,297 76	26,130.74
PRAXAIR INC	PX	588	60.610	35,641.33	55,413 12	19,771 79
PRAXAIR INC	PX	602	95 473	57,474 99	56,732 48	(742.51)
PRICE T ROWE GROUP INC	TROW	2,100	62.960	132,216 00	118,587 00	(13,629.00)
PROCTER & GAMBLE CO	PG	670	66 830	44,776.10	40,742 70	(4,033 40)
PRUDENTIAL FINANCIAL INC	PRU	344	102.680	35,323.74	20,550 56	(14,773 18)
PRUDENTIAL FINANCIAL INC	PRU	816	76 351	62,302 65	48,747 84	(13,554 81)
PUBLIC SERVIC ENTERPRISE GROUP	PEG	1,539	44.358	68,267 12	70,686 27	2,419 15
REED ELSEVIER NV-NLG ADR	ENL	554	40 910	22,667 60	18,570 08	(4,097 52)
RHODIA INC SPONS ADR	RHAYY	289	50 150	14,493 35	5,336 38	(9,156 97)
RIO TINTO PLC-GBP	RTP	17	371 700	6,318 92	8,415 00	2,096 08
RIO TINTO PLC-GBP	RTP	30	351 350	10,540 57	14,850 00	4,309 43
RIO TINTO PLC-GBP	RTP	5	351 350	1,756 76	2,475 00	718.24
RIO TINTO PLC-GBP	RTP	14	467 330	6,542 76	6,930 00	387 24
ROCHIE HLDG LTD SPON ADR	RHHBY	385	89 400	34,419 00	34,773 20	354 20
ROYAL DUTCH SHELL PLC CL A	ADR	375	85 028	31,885 58	30,641 25	(1,244.33)
SAFeway INC	SWY	968	31 943	30 921 11	27,636 40	(3,284 71)
SANOFI-AVENTIS SPONS ADR	SNY	680	42.370	28,811 60	22,596 40	(6,215.20)
SANOFI-AVENTIS SPONS ADR	SNY	35	36 470	1,276 45	1,163 05	(113 40)
SAP ADLENSESELLSSCHAFT SPONS	SAP	365	45.880	16,748 50	19,020 15	2,271 65
SAP ADLENSESELLSSCHAFT SPONS	SAP	210	55 440	11,644.06	10,943 10	(700 96)
SCHLUMBERGER LTD	SLB	726	93 790	68,092.34	77,994 18	9,901 84
SEAGATE TECHNOLOGY	STX	2,735	27.680	76,252.07	52,320 55	(23,931 52)
SEAGATE TECHNOLOGY	STX	988	20.105	19,863.74	18,900 44	(963.30)
SECOM LTD ADR	SOMLY	110	101.750	11,192 50	10,708.94	(483.56)
SIEMENS A G SPONS ADR	SI	505	105 420	53,237.25	55,615 65	2,378 40
SIMON PPTY GROUP INC SBI	SPG	602	100.048	60,229.38	54,113 78	(6,115.60)
SMITH & NEPHEW PLC SP ADR	SNN	225	58 120	13,078 44	12,318 75	(759 69)
SONY CORP SPON ADR-NEW	SNE	805	51 800	41,699 00	35,210.70	(6,488 30)
SOWSTN ENERGY	SWN	1,167	45 306	52,872.25	55,560 87	2,688.62
STAPLES INC	SPLS	1,545	21 430	33,109 35	36,693 75	3,584 40
STATE STREET CORP	STT	833	70 750	62,474 72	56,503 17	(5,971 55)
STATE STREET CORP	STT	128	74 587	9,547 14	8,190 72	(1,356 42)
STATE STREET CORP	STT	353	68 633	24,298 19	22,588 47	(1,709 72)
SUMITOMO MITSUI FINL GROUP INC /	SMFJY	4,075	9 850	40,138 75	30,713 27	(9,425 48)
TAIWAN SEMICONDUCTOR MFG CO L TSM		492	11 030	5,432 39	5,370 93	(61 46)
TAIWAN SEMICONDUCTOR MFG CO L TSM		1,010	10 470	10,577 11	11,015 89	438 78
TAIWAN SEMICONDUCTOR MFG CO L TSM		970	10.920	10,600.26	10,582.70	(17 56)
TELEFONICA S A	TEF	240	85 120	20,428 85	19,099.20	(1,329 65)
TELEFONICA S A	TEF	100	85 490	8,549.25	7,958 00	(591 25)

PROPERTY/CASUALTY
EQUITY INVESTMENT SCHEDULE
June 30, 2008

ASSET DESCRIPTION	SYM	SHARES	PURCHASE PRICE	PURCHASE AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
TELEFONICA S.A.	TEF	115	88.800	10,212.00	9,151.70	(1,060.30)
TEREX CORP NEW	TEX	913	82.070	74,930.37	46,900.81	(28,029.56)
TEREX CORP NEW	TEX	129	72.294	9,325.93	6,626.73	(2,699.20)
TESCO PLC SPONSORED ADR	TSCDY	1,990	25.600	50,944.00	43,877.51	(7,066.49)
TEVA PHARMACEUTICALS IND LTD	TEVA	1,800	46.700	84,060.00	82,440.00	(1,620.00)
TFS INC	TMO	1,153	57.509	66,308.37	64,256.69	(2,051.68)
TOTAL SA SPONS ADR	TOT	855	67.470	57,689.58	72,905.85	15,216.27
TOYOTA MORTOR CORP	TM	74	108.870	8,057.01	6,956.00	(1,101.01)
TOYOTA MORTOR CORP	TM	670	105.700	70,819.13	62,980.00	(7,839.13)
TOYOTA MORTOR CORP	TM	104	100.180	10,419.30	9,776.00	(643.30)
TOYOTA MOTOR CORP	TM	255	109.930	28,032.15	23,970.00	(4,062.15)
TRANSOCEAN INC NEW SHS ORD	RIG	516	155.951	80,471.13	78,633.24	(1,837.89)
TRANSOCEAN INC NEW SHS ORD	RIG	690	162.700	112,263.14	105,149.10	(7,114.04)
TRAVELERS COS INC/THE	TRV	1,772	50.378	89,271.06	76,904.80	(12,366.26)
UNION PACIFIC CO	UNP	1,084	79.615	86,303.53	81,842.00	(4,461.53)
UNITED TECHNOLOGIES CORP	UTX	1,011	62.880	63,576.84	62,378.70	(1,198.14)
UNITED TECHNOLOGIES CORP	UTX	546	63.140	34,474.44	33,688.20	(786.24)
UNITED TECHNOLOGIES CORP	UTX	820	74.973	61,478.19	50,594.00	(10,884.19)
UNTD TECHNOLOGIES CORP	UTX	998	74.000	73,852.00	61,576.60	(12,275.40)
US BANCORP DEL	USB	205	33.330	6,832.79	5,717.45	(1,115.34)
US BANCORP DEL	USB	265	33.310	8,829.67	7,390.85	(1,438.82)
US BANCORP DEL	USB	416	33.040	13,746.93	11,602.24	(2,144.69)
US BANCORP DEL	USB	823	33.459	27,536.76	22,953.47	(4,583.29)
US BANCORP DEL	USB	155	32.811	5,085.84	4,322.95	(762.89)
VALERO ENERGY CORP NEW	VLO	406	46.175	18,747.05	16,719.08	(2,027.97)
VANGUARD INDEX FUNDS VANGUARI VTV		7,580	64.536	489,189.60	424,101.00	(65,088.60)
VANGUARD INDEX FUNDS VANGUARI VUG		9,070	64.669	586,555.07	536,853.30	(49,701.77)
VANGUARD INDEX FUNDS VANGUARI VBK		1,500	71.140	106,710.00	100,110.00	(6,600.00)
VANGUARD INDEX FUNDS VANGUARI VBR		1,280	68.120	84,633.60	74,483.20	(10,150.40)
VANGUARD INTL EQUITY INDEX FD	VWO	7,580	54.077	409,907.94	354,744.00	(55,163.94)
VERIZON COMMUNICATIONS INC	VZ	1,919	38.019	72,958.46	67,932.60	(5,025.86)
VODAFONE GROUP PLC NEW SPON	VOD	709	31.670	22,454.03	20,887.14	(1,566.89)
VODAFONE GROUP PLC SPONS ADR	VOD	1,630	27.790	45,311.88	48,019.80	2,707.92
WACHOVIA CORP	WB	1,390	28.000	38,920.00	21,586.70	(17,333.30)
WALMART STORES INC	WMT	1,308	56.638	74,082.90	73,509.60	(573.30)
WAL-MART STORES INC	WMT	95	48.470	4,605.37	5,339.00	733.63
WAL-MART STORES INC	WMT	266	49.460	13,157.00	14,949.20	1,792.20
WAL-MART STORES INC	WMT	216	48.940	10,572.03	12,139.20	1,567.17
WAL-MART STORES INC	WMT	181	49.290	8,921.74	10,172.20	1,250.46
WALT DISNEY CO	DIS	1,260	34.600	43,596.00	39,312.00	(4,284.00)
WALT DISNEY CO (HOLDING CO)	DIS	2,230	34.780	77,559.40	69,576.00	(7,983.40)
WELLS FARGO & CO NEW	WFC	182	33.470	6,092.34	4,322.50	(1,769.84)
WELLS FARGO & CO NEW	WFC	429	31.010	13,304.49	10,188.75	(3,115.74)
WELLS FARGO & CO NEW	WFC	366	30.230	11,066.74	8,692.50	(2,374.24)
WELLS FARGO & CO NEW	WFC	235	29.460	6,924.13	5,581.25	(1,342.88)
WELLS FARGO & CO NEW	WFC	463	29.370	13,601.69	10,996.25	(2,605.44)
WELLS FARGO & CO NEW	WFC	318	28.930	9,200.98	7,552.50	(1,648.48)
WOLSELEY PLC SPONSORED ADR	WOSLY	1,450	25.430	36,875.10	10,864.85	(26,010.25)
WOLTERS KLUWER N V SP ADR	WTKW	685	30.400	20,824.00	16,015.98	(4,808.02)
WPP GROUP PLC SPON ADR NEW	WPPGY	400	72.560	29,024.00	19,128.00	(9,896.00)
WYETH	WYE	1,457	45.770	66,686.89	69,877.72	3,190.83
WYETH	WYE	219	44.820	9,815.76	10,503.24	687.48
XTO ENERGY INC	XTO	1,133	67.930	76,965.48	77,621.83	656.35
XTO ENERGY INC	XTO	1,107	65.998	73,060.56	75,840.57	2,780.01
YUM BRANDS INC	YUM	1,854	35.610	66,037.44	65,056.86	(980.58)
ZURICH FINCL SVCS SPON ADR	ZFSVY	1,180	28.750	33,925.00	30,294.14	(3,630.86)
TOTAL				\$ 16,311,517.29	\$ 15,801,229.09	\$ (510,288.20)